UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

M2 CONSULTING, INC.,)
Plaintiff,))
v.) C.A. NO. 03-12589-GAO
MRO SOFTWARE, INC.,))
Defendant.))

AFFIDAVIT OF CRAIG NEWFIELD IN SUPPORT OF MRO SOFTWARE, INC.'S MOTION FOR PRELIMINARY INJUNCTION

I, CRAIG NEWFIELD, do hereby depose and state as follows:

- 1. I am the Vice President and General Counsel of MRO Software, Inc. ("MRO"). I make this affidavit based on my personal knowledge.
- 2. Attached as Tab A to MRO's Memorandum in Support of its Motion for Preliminary Injunction ("Memorandum") is a true and accurate copy of the Hosting Affiliate Agreement entered into between MRO Software, Inc. and M2 Consulting, Inc. on November 4, 2002.
- 3. Attached as Tab E to MRO's Memorandum is a copy of a letter I sent to M2 Consulting, Inc. on October 24, 2003.
- 4. M2 Consulting, Inc.'s ("M2") continued hosting of MRO's MAXIMO software is of great consequence to MRO because MRO has invested substantially in excess of \$100 million in the development and maintenance of this asset, and MAXIMO is MRO's principle business asset and its primary source of revenue. MRO's success is substantially dependent on the reputation of this software in the marketplace. M2 has not paid for and does not receive product

support or enhancements from MRO, and MRO has no ability to monitor or control the quality of M2's offering.

- 5. Except for one payment of \$5,785.50, in or about November 2002, M2 has not made any royalty payments to MRO under the 2002 Hosting Agreement. MRO recently calculated that the total royalties owed but unpaid under the terms of the 2002 Hosting Agreement is approximately \$440,000, exclusive of interest.
- 6. Based on my staff's analysis of the Activity Reports and other materials produced by M2 in discovery, MRO has concluded that as of early this year M2 was providing hosted MAXIMO to approximately 27 corporate customers, who in turn had purchased approximately 260 individual user licenses for employees of their companies.
- 7. Based on my staff's analysis of M2's Activity Reports, MRO has concluded that M2 has realized approximately \$1,671,000 in revenues from its MAXIMO hosting services with respect to the period of November 2002 through November 2005. Since M2 failed to submit an Activity Report for February 2003, its revenues for this month were estimated as the average of its revenues for months of January and March 2003. M2 stopped submitting Activity Reports at the end of June, 2004. Monthly revenues from and after June 2004 through November 2005 were estimated based on M2's average monthly revenues over the first six months of 2004.

Signed under the pains and penalties of perjury this 30th day of December, 2005.

/s/ Craig Newfield
Craig Newfield